GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

UNSTARRED QUESTION NO:1628
ANSWERED ON:07.03.2001
DECLINE IN FPI
GUNIPATI RAMAIAH;RAMJI LAL SUMAN;SUSHIL KUMAR INDORA

Will the Minister of AGRICULTURE be pleased to state:

(a) whether the annual growth rate of food processing industry has fallen;

(b) if so, the reasons therefor alongwith the rate of annual growth of food processing industries during the initial two yeas of the ninties and the last two years i.e. 1998-99 and 1999-2000 separately;

(c) the efforts being made by the Government to remove problems faced by the Food Processing Industries to increasethe growthrate; and

(d) the number of sick industries among those being run in public and private sectors separately?

Answer

THE MINISTER OF STATE FOR FOOD PROCESSING INDUSTRIES (SHRI TH. CHAOBA SINGH)

(a)& (b): Food Processing sector covers different segments of the industry and a negative trend/development for the whole sector is not reported. However, in the fruit and vegetable processing segment during the year 1997 − 98, the growth showed a negative trend. Though detailed reasons for this trend have not been reported, one of the apparently discernible factors to which the negative growth could be attributed is levying of Excise Duty on these products as against the zero duty in the preceding years.

(c) The Government has taken a number of policy initiatives to promote the growth of Processed Food Sector in the Country, which include inter alia provision of financial assistance in the form of soft loan and grant to private industries, public sector undertakings, non-governmental organization, cooperatives etc.

(d) Food Processing Industries are both in the organized and unorganizedsectors and hence information on the sick industries is not centrally maintained.